

nrCS

NOB7

From: Clancy, Sharon - Devils Lake, ND [Sharon.Clancy@nd.nacdnet.net]
Sent: Thursday, September 16, 2004 8:41 AM
To: FarmBillRules
Subject: Attn. Conservation Security Program

Comments on the Interim Final Rule for the Conservation Security Program Conservation Agriculture, ND Natural Resources Trust, P.O. Box 31, Devils Lake, ND 58301, Sharon Clancy, Coordinator

In 2000, the North Dakota Natural Resources (Trust) launched an on-farm demonstration that was to be the prototype of the Conservation Security Program (CSP). The project's mission statement is to demonstrate when agriculture and conservation thrive together, agricultural profitability is enhanced and conservation of natural resources and societal benefits are realized. Our message is "Farm the best, alternatives on the rest." Four conventional farms in central North Dakota are participating in the program, which has been quite successful.

A thirteen member advisory board comprised of eight farmers and five agency representatives, including NRCS, NDSU Extension, US Fish and Wildlife Service, and the Trust lead the project. The goal is to engage the farmers in whole farm planning and offer programs that are voluntary, flexible, and compensated. The chief competition for alternative land use is the Federal Crop Insurance's prevented plant program. The Advisory Board set the program compensation at a rate for set-aside comparable to the prevented plant. The demonstration project has been extremely successful. We would be willing to send USDA documentation to this effect. The demonstration farmers were looking forward to enrolling in the Conservation Security Program. However, the limitations and restrictions of the "Interim Final Rule" will prohibit the participation of these farmers, who are committed to conservation.

The "Interim Final Rule" USDA drafted for the Conservation Security Program has improved some of the aspects of the draft rules, such as the rule change to treat pastured cropland the same as cropland in determining the stewardship payment and the definition of "considered to be planted" including longterm rotations of alfalfa or multi-year grasses and legumes. However, the "Interim Final Rule" still misses the point of the statutory provisions of the 2002 Farm Security and Rural Development Act. The focus of CSP was to reward those producers who practice good conservation and provide financial incentives to achieve a systems approach for farm and ranch conservation.

In fact, the Interim Final Rules are contradictory to the statutory provisions of the 2002 Farm Bill. The enrollment categories and provisions for sign-up are the de-facto ranking system that CSP tried to avoid. The intention of Congress was that participation in the program should not to be limited and applications should not be ranked to determine acceptance.

These category qualifications and the payment structure are unnecessarily complicated. They will be extremely difficult for NRCS staff to implement, impossible for farmers to interpret, and will be heavily weighted toward the enhancement portion of the payment structure. The rules also minimize the stewardship portion of the program, which was intended to reward those farmers presently practicing good conservation. Unfortunately, the "stewardship payment, maintenance payments, enhancement payments, stewardship limit, final stewardship payment rate, Tier specific percentage, and total payment limit" do not provide adequate payments to attract North Dakota's farmers, or for that matter, producers from other states.

USDA has devised all of these restrictions under the pretext of the "congressional cap on spending in FY 2004." USDA has never had to go through such machinations in the past for program sign-up. In the past, these limitations were simply applied by adjusting the length of the sign-up period. USDA should remove all restrictions limiting enrollment and "per acre" caps. The program should be simplified by including all types of conservation objectives, putting equal emphasis on stewardship, maintenance/cost share, and enhancement activities. The enhancement payments also need to be expanded to include the full range of activities in the law.

N087

The Final Rule must be simplified, readily understandable by farmers and NRCS staff, easy to implement and straightforward to administer.
Congress intended CSP to be a nationwide, accessible and effective program to help farmers maximize their conservation performance, while at the same time producing environmental benefits for society to enjoy.